
AMY BINSFELD

STATE REPRESENTATIVE • 27TH ASSEMBLY DISTRICT

Testimony before the Assembly Committee on Local Government

Representative Amy Binsfeld

April 12th, 2023

Chairman Novak and Members of the Assembly Committee on Local Government:

Thank you for the opportunity to testify before you today on Assembly Bill 146, relating to local guaranteed income programs in Wisconsin.

Across the country, several larger cities have begun to implement guaranteed income programs. These programs are often taxpayer-funded and provide a cash benefit in addition to the public benefits an individual receives. Most of these programs do not include a work requirement or restrict what the money can be spent on.

In Wisconsin, the City of Madison has already implemented the Madison Forward Fund, while other cities including Wausau and Milwaukee have shown an interest in guaranteed income programs. The Madison Forward Fund is privately-funded and was advertised as a “no strings attached” program in which the city paid \$500 per month for a year to households with an income of less than 200% of the Federal Poverty line. As mentioned earlier, this program is in addition to other taxpayer-funded public benefits the individual may already receive and does not include work requirements.

AB 146 would not prohibit privately-funded guaranteed income programs like the Madison Forward Fund, but it would prohibit taxpayer dollars from being used for these programs. Currently, Wisconsin is experiencing very low unemployment and a historically low labor force participation rate. At the same time, employers around the state are begging for workers, many offering sign-on bonuses and other incentives.

Wisconsin taxpayers already help to fund countless state programs designed to assist low-income individuals and families. We should not be asking the taxpayers to fund handouts on top of the taxpayer-funded government benefits individuals already receive, especially when the labor market is begging for more workers.

Thank you for your consideration of Assembly Bill 146.



DUEY STROEBEL

STATE SENATOR • 20TH DISTRICT

Testimony on Assembly Bill 146

April 12, 2023

Thank you Chairman Novak and members of the Assembly Committee on Local Government for holding a public hearing on Assembly Bill 146, a bill I authored with Representative Binsfeld to prohibit counties and municipalities from expending taxpayer dollars on guaranteed income programs.

While guaranteed income programs are distinct from universal basic income programs in the sense that eligibility for the former is predominantly limited to low-income individuals, both concepts entail providing monthly cash payments to recipients with no strings attached and no work requirements.

On the heels of the federal government's decision to issue \$300 billion in stimulus checks by way of the CARES Act, the organization Mayors for a Guaranteed Income (MGI) was established in June 2020 with the purpose of accelerating the development of guaranteed income programs in cities throughout the country. While most of the programs that have been implemented are still in their pilot phase, MGI's stated goal is to lay the groundwork to make these programs permanent.

According to MGI's 2022 End of Year Report, its membership has grown from 11 to 102 mayors representing cities in 31 different states. Among MGI's members in Wisconsin are the mayors of Madison, Milwaukee and Wausau, though only Madison has thus far launched a guaranteed income pilot program. While Madison's program was seeded with private donations, a number of cities' programs have utilized public dollars. For example, several cities earmarked a portion of the federal taxpayer dollars they received through the American Rescue Plan Act (ARPA) for their guaranteed income programs.

In the face of a persistent workforce shortage affecting Wisconsin employers across nearly every sector of the economy, and during a time when the Legislature is being asked to provide considerable increases in state funding for aid to local governments in response to inflationary cost pressures, local officials should not be allowed to divert hard-working Wisconsin's tax dollars away from core government programs and services to instead pay individuals not to work. It also bears mentioning that the segment of the population targeted by guaranteed income programs already has access to existing social safety net programs (e.g., Medicaid, FoodShare, subsidized child care, state supplemental security income, etc.), which account for a significant portion of our state budget and can often times amount to a sizable monetary value for many who are enrolled in these programs.

Through the statewide advisory referendum on the April 4 ballot, Wisconsin voters made it abundantly clear that they do not support government programs that incentivize individuals not to work. Thus, it is important that the Legislature pass AB 146 to put limitations in place to ensure that Wisconsin taxpayers do not end up footing the bill for guaranteed income programs that reduce self-reliance and increase dependency on the government.